

October 16, 2001

Ms. Magalie Roman Salas  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Room TW-B204  
Washington DC 20554

**Re: Verizon Wireless Petition Pursuant to 47 U.S.C. § 160 for Partial Forbearance  
from the Commercial Mobile Radio Services Number Portability Obligation  
(WT Docket No. 01-184)**

Dear Secretary Salas:

On July 26, 2001, Verizon Wireless (“Verizon”) submitted a petition for forbearance from the Commission’s local number portability rules.<sup>1</sup> On August 7, 2001, the Commission released a Public Notice seeking comments on Verizon’s petition.<sup>2</sup>

In response to the Public Notice and in accordance with Section 1.51(c) of the Commission’s rules, 47 C.F.R. §1.51(c), the Illinois Commerce Commission (“ICC”) submits its Reply Comments for inclusion in the public record.<sup>3</sup> The ICC does not support the Verizon petition and respectfully requests that the Commission deny Verizon’s request for forbearance from the local number portability rules.

As the Commission stated in its notice, the Commission’s current rules require commercial mobile radio service (CMRS) providers to support service provider local number portability (LNP) in the top 100 Metropolitan Statistical Areas by November 24, 2002.<sup>4</sup> Service provider LNP is a service that provides residential and business telephone customers with the ability to retain, at the same location, their existing telephone numbers when switching from one local telephone service provider to another.

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<sup>1</sup> *Verizon Wireless Petition Pursuant to 47 U.S.C. § 160 for Partial Forbearance from the Commercial Mobile Radio Services Number Portability Obligation*, WT Docket 01-184 (filed July 26, 2001)(“Verizon Petition”).

<sup>2</sup> *WTB Seeks Comment on Wireless LNP Forbearance Petition Filed by Verizon Wireless*, WT Docket No. 01-184, Public Notice, DA 01-1872 (August 7, 2001)(“Public Notice”).

<sup>3</sup> The ICC notes that the Commission set the due date for Initial Comments on this matter on September 21, 2001 and Reply Comments on October 22, 2001.

<sup>4</sup> 47 C.F.R. § 52.31.

In its petition, Verizon contends that the Commission's CMRS LNP requirements will impose complex technical burdens and expenses that are not justified by tangible economic benefits.<sup>5</sup> According to Verizon, granting its petition would mean that carriers would still be required to upgrade their networks to be able to participate in number pooling, but would only be relieved of the additional requirement of implementing number portability.<sup>6</sup>

The ICC believes, as do various other state commissions that filed comments<sup>7</sup>, there are several reasons – based on both legal and policy grounds - to deny Verizon's request for LNP forbearance.

As an initial matter, Verizon claims throughout its petition that it can provide number pooling in compliance with the Commission's previous Number Resource Optimization orders.<sup>8</sup> Verizon also maintains that, despite its request for a permanent forbearance from the LNP rules and regulations, it can provide number pooling by the Commission's mandated deadline of November 24, 2002.<sup>9</sup>

Verizon has not sufficiently demonstrated in its petition that it can comply with the Commission's number pooling requirements while simultaneously requesting forbearance from the Commission's LNP requirements. Verizon also fails to recognize that its position is in direct contradiction to a well-established Commission finding that number pooling is technically infeasible without the accompanying LNP. In the *First Report and Order*, the Commission stated that nothing in the record would lead it to conclude that "wireless (or wireline) service providers can implement thousand-block pooling prior to acquiring LNP capability, as it is number portability that allows a thousand-number block to be assigned to a carrier from an NXX that has been assigned to another carrier, thus permitting the contribution and distribution of thousand-number blocks."<sup>10</sup>

Verizon's petition sets forth vague assertions regarding "the complex technical burdens and expenses" associated with LNP compliance. In short, as was pointed out by the various state commissions in their respective initial comments, the costs of LNP are unspecified and the benefits of LNP are ignored in the Verizon petition.

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<sup>5</sup> *Verizon Petition* at 2.

<sup>6</sup> *Id.* at 1.

<sup>7</sup> As a general proposition, the ICC agrees with the Initial Comments filed in this proceeding by the New Hampshire Public Utilities Commission, the New York State Department of Public Service, the Public Utilities Commission of Ohio, the Connecticut Department of Public Utility Control, and the National Association of Regulatory Utility Commissioners (NARUC).

<sup>8</sup> *Verizon Petition* at 3, 5, 9-12.

<sup>9</sup> *Id.*

<sup>10</sup> *Number Resource Optimization*, First Report and Order and Further Notice of proposed Rulemaking, 15 FCC Rcd. 7574 at ¶¶ 116, 136-137 (rel. March 31, 2000) ("First Report and Order").

Moreover, the benefits of number pooling are severely undermined absent number portability. Although Verizon itself acknowledges in its petition that number pooling is an effective method of optimizing number resources<sup>11</sup>, it nevertheless insists that the costs of LNP implementation outweigh the benefits. The absence of LNP means that the difference in rate between carriers will limit the extent to which carriers and their customers can benefit from a pool of numbers.

Finally, the ICC believes there is a strong public interest ground upon which to deny Verizon's petition. In its petition, Verizon argues that given "pro-competitive developments, any need for the massive, complex regulation LNP represents is now less, not more."<sup>12</sup> In other words, Verizon believes that customer service will improve and rates be reduced by virtue of competition, thereby, making regulatory intervention unnecessary. The "competition instead of regulation" argument, however, does not lend itself to the issue of LNP. As pointed out by the New Hampshire Public Utilities Commission in its Initial comments, regulatory forbearance will not result in wireless customers realizing the full benefit of LNP.<sup>13</sup> Wireless customers cannot choose a different wireless supplier if they are dissatisfied with their own supplier's refusal to offer LNP. By not offering wireless LNP, the wireless carriers are stifling their own competition. In short, there can be no basis for competition for wireless customers until a significant number of wireless carriers offer LNP. Since wireless carriers have consistently made it clear, as Verizon's petition in this proceeding clearly demonstrates, wireless carriers are not willing to implement LNP without regulatory intervention.

For all the aforementioned reasons, the ICC respectfully requests that the Commission deny Verizon's request for forbearance from the local number portability rules and rule on the Public Notice in accordance with the Illinois Commerce Commission's aforesated recommendations.

Sincerely,

/s/ THOMAS G. ARIDAS

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<sup>11</sup> *Verizon Petition* at 2.

<sup>12</sup> *Verizon Petition* at 30.

<sup>13</sup> New Hampshire Public Utilities Commission Initial Comments at 12-13.

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cc:

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